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Chairman Marc Spitzer
Commissioner Mike Gleason
Commissioner Jeff Hatch-Miller
Commissioner Kris Mayes

Re: Costs of Relocation of Utilities' Infrastructure Resulting from the Construction of the
Phoenix Light Rail System

Dear Colleagues:

I wanted to inform you that I have requested a new generic docket be opened to gather information on the costs of construction of the light rail system through Phoenix, Tempe, and Mesa. Specifically, I want to know the financial impact this construction will have on Valley utilities and ultimately, consumers.

I am concerned about the cost of moving utility lines, i.e., electric, natural gas, or telecommunications, when Central Avenue and other parts of the Valley are razed to accommodate the new light rail system. I want to ascertain if these costs are included in the cities' construction budget or if they will be included in the utilities' rate base. If these costs are indeed to be borne by Valley utilities, I want to know if the utilities are going to request that these expenses be passed on to consumers in future rate cases.

Sincerely,

William A. Mundell, Commissioner
Arizona Corporation Commission

cc: Brian McNeil, Executive Secretary
Lyn Farmer, Director, Hearings Division